

ANNUAL PROGRESS REPORT

2004

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This Annual Work Plan document was completed in compliance with the terms of the contract referenced above to provide detail on tasks to be performed as approved by USAID. The views expressed and opinions contained in this report are those of the field team and are not intended as statements of policy of either USAID or the contractor companies.

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**COMMUNITY
PARTNERSHIPS FOR
SUSTAINABLE
RESOURCE
MANAGEMENT IN
MALAWI**

ANNUAL REPORT: 2004

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PREFACE

Development Alternatives Inc. (DAI) was contracted by the United States Agency for International Development (USAID)/Malawi to implement phase 2 of the Community Partnerships for Sustainable Resource Management (COMPASS II) under Contract # 690-C-00-04-00090-00. USAID and DAI signed the contract on April 30, 2004 with effective dates of May 1, 2004 to March 31, 2009.

This contract engages DAI and its partners¹ to assist USAID/Malawi in achieving three objectives: to increase the decentralization of natural resources management in Malawi; to enhance rural community capacity for managing natural resources in a sustainable manner; and to increase sales of natural resources-based products by rural households.

DAI is required by the contract to submit an Annual Report to USAID/Malawi within 45 days of the conclusion of each program year. The Annual Progress Report details the accomplishments achieved over the period covered by the report. This document is the Annual Progress Report for the period from 01 October 2003 through 30 September 2004. It must be noted that the period covered included four months of low-level activity under COMPASS (contract # 690-C-00-99-00116-00; Activity 612-0248)—due to reduced levels of funding under CLIN 003—and four months of no field activity until the award of the follow-on contract for the COMPASS II activity. This Annual Progress Report must be viewed, therefore, in context of this “bridging” period when field data gathering was impractical.

The Annual Progress Report consists of two sections. The first is an overview of both COMPASS activities, including a very brief review of the challenges facing CBNRM in Malawi, successes to date in meeting those challenges, and USAID/Malawi’s Strategic Objective and Intermediate Results for continuing the progress through COMPASS II. An iteration of the Results Modules for the project is provided for any readers of this Report not familiar with the project, as well as a description of the monitoring and evaluation methodologies employed in gathering the data presented.

The second section of the Annual Progress Report summarizes the verifiable field results achieved by CBNRM practitioners during Fiscal Year 2004. It provides a brief review of performance monitoring indicators for measuring progress toward achieving the Intermediate Result (IR) 6.3: “Household revenue from community-based natural resources management activities increased”, and contributing to attaining USAID/Malawi Strategic Objective (SO) 06: “Sustainable Increases in Rural Incomes.” The section is organized by technical components, called Results Modules, as elaborated by USAID/Malawi for the COMPASS II activity. The Results Modules provide the framework for all fieldwork conducted by the implementation team.

The Annex provides detailed data tables demonstrating how the summary tables within section 2 were calculated. COMPASS II is in process of producing the final Performance Monitoring Plan, and the targets believed to be attainable within the period of the activity. Therefore, the Annual Progress Report for 2004 cannot cover fully the entire range of performance indicators by which COMPASS II progress will be measured in subsequent years. Anecdotal progress updates are provided instead, with more comprehensive reporting expected beginning 2005.

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30 October 2004

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¹ Wildlife & Environment Society of Malawi, Kadale Consultants, Ltd. and Spectrum Media

ACRONYMS

BDS	Business Development Services
BVC	Beach Village Committee
CBNRM	Community-Based Natural Resources Management
CBO(s)	Community-Based Organization(s)
CDIE	Clearinghouse for Development Information & Exchange
COMPASS	Community Partnerships for Sustainable Resource Management
CTO	Cognizant Technical Officer (USAID/Malawi)
DAI	Development Alternatives, Inc.
DEAP	District Environmental Action Plan
DESC	District Environmental Steering Committee
DoLG	Department of Local Government
FY	Fiscal Year
IR	Intermediate Result (USAID)
MAFE	Malawi Agroforestry Extension project
MEET	Malawi Environmental Endowment Trust
NGO	Non-Governmental Organization
NRBE(s)	Natural Resource Based Enterprise(s)
NRBP(s)	Natural Resource-Based Product(s)
NRM	Natural Resource Management
PMP	Performance Monitoring Plan (USAID)
SO	Strategic Objective (USAID)
SR	Sub-Result
SSA	Sub-sector Analysis
TA	Traditional Authority
TAMIS	Technical and Administrative Management Information System
TR	Targeted Result
TQM	Total Quality Management
USAID	United States Agency for International Development
VNRMC(s)	Village Natural Resources Management Committee(s)
WESM	Wildlife and Environmental Society of Malawi
WG	Working Group (CBNRM)

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COMPASS ANNUAL PROGRESS REPORT 2004 (01-OCT-03—30-SEPT-04)

1. OVERVIEW OF THE COMPASS I AND II PROJECTS²

1.1 INTRODUCTION & BACKGROUND

This performance report is based on results from fieldwork conducted under two activities of USAID in Malawi. COMPASS began in 1999 as a conservation-oriented effort aimed at sustainable use of natural resources, expanding awareness of community-based natural resource management (CBNRM) and supporting the Government of Malawi to implement a policy framework conducive to expansion of CBNRM. A new Country Strategic Plan for USAID/Malawi for the period 2001—2005 placed the CBNRM support activities under a new Strategic Objective (SO) for “Sustainable increases in rural income.”

By conceptualizing COMPASS as a development initiative, USAID/Malawi hoped to encourage the Government of Malawi and a host of partner organizations to embrace CBNRM not simply as an approach to conservation but also as a way to stimulate broader-based economic growth in rural areas. This overarching goal is embodied by Malawi’s Poverty Reduction Strategy and by USAID/Malawi’s Strategic Objective 6: Sustainable Increases in Rural Incomes.

By the time the COMPASS activity had concluded in January 2004, emphasis on household revenues from engaging in CBNRM had attained prominence within the USAID reporting requirements and the focus of fieldwork by project staff. The conceptual evolution of CBNRM from being conservation oriented toward an emphasis on household income generation is incomplete, however, at village levels and within government departments.

Against this backdrop, USAID/Malawi designed a follow-on activity to COMPASS that is both more solidly focused on achieving sustainable increases in rural incomes, and more openly advocating the use of natural resources utilization to first address community needs for livelihoods while still promoting CBNRM as a means to achieve long-term conservation.

One could say fairly that COMPASS II is intended to support widespread awareness of the conceptual evolution described above; put differently, **COMPASS II is about mainstreaming CBNRM as a viable rural development strategy for Malawi.** The expected result is that communities which are making significant income from natural resources stewardship have personal and collective incentives to ensure the long-term health of the resource base, which in turn secures the rural economic health.

This document is an Annual Progress Report covering fieldwork performed under two activities that support the same SO and Intermediate Result. Because COMPASS (1999-2004) ended in January 2004 (and fieldwork concluded months before that due to limitations of funding under CLIN 003), and COMPASS II (2004—2008) was not awarded until the end of April 2004, with mobilization 30 days after that, this Annual Report is a “bridging” report that straddles the timeframe when fieldwork was limited. It also means that both activities need to be put in their own context, as described above, and reviewed against their particular components. These latter items are described next.

² Readers unfamiliar with these two activities are referred to COMPASS document #75 and COMPASS II document #08 for more complete treatment of the respective project purposes, objectives, backgrounds, and other detail.

1.2 COMPASS TARGETED RESULTS

COMPASS was developed to support the Government of Malawi in formulating and adopting a national CBNRM strategy as an element of the National Environmental Action Plan. The activity worked with the National Council on the Environment—through its CBNRM Working Group—to expand the national strategy for CBNRM into an institutional framework capable of implementing the strategy. In order to accomplish this, the COMPASS team worked toward five Targeted Results:

1. Building Malawian capacity amongst nongovernmental organizations and government to administer CBNRM initiatives and provide the necessary technical support to practitioners;
2. Establishing efficient liaison and information exchange among CBNRM programs in Malawi and neighboring countries;
3. Improving community mobilization skills within the public and nongovernmental sectors;
4. Supporting policy and legislative reform that assists improved resource management at the village level; and
5. Providing small grants to CBNRM practitioners and promoters.

The targets for COMPASS as determined under approved Annual Work Plans and Performance Monitoring Plans, and progress achieved by 30 September 2003, were the following:

- 600 communities adopted CBNRM practices as a result of COMPASS activities (target 400);
- 5-10% of customary land was under improved natural resources management in target districts (target 40%; data gathering proved challenging);
- 46% of beneficiaries of COMPASS small grants were female (target was 60%; tally did not include training participants);
- 87% of grant projects are sustained one year after the end of the COMPASS grant period (target was 80%);
- \$279,782 in supplemental income was generated by grants for income generating activities (composed of \$15,774 in cash and \$264,008 in non-monetized benefits; target was \$250,000 total benefits); and
- 60% of grants demonstrated positive environmental and social impact (target was 60%).

COMPASS document #68 was the last performance and impact report carried out under that activity. Readers are referred to that document (available from CDIE) for a complete report on 2003 results.

1.3 COMPASS II RESULTS MODULES

The purpose of COMPASS II is to enhance household revenue from participation in CBNRM initiatives that generate income as well as provide incentives for sustainable resource use in Malawi. Building on the solid foundation established under NATURE, MAFE, and COMPASS towards building capacity of the Malawian government and nongovernmental organizations to adopt strategies that ensure long-term economic and environmental sustainability, COMPASS II seeks to accomplish three objectives:

1. Increase the decentralization of natural resource management,
2. Enhance rural communities' capacity to sustainably manage their natural resources, and
3. Increase sales of natural resources-based products.

Achievement of progress toward these objectives requires a multi-faceted approach toward devolving authority to manage natural resources to field levels, facilitating the acquisition of skills to dispatch that authority responsibly, and profiting from sustainable utilization of those natural resources.

The contract Statement of Work (section C) defines the specifications for the team in implementing the COMPASS II activity. In order to have implementation contribute toward the USAID/Malawi SO-6: **Sustainable Increases in Rural Incomes**, and specifically, Intermediate Result 6.3: **“Increased household revenue from community-based natural resources management (CBNRM) activities”**, the following three Results Modules and Tasks guide fieldwork.

Results Module	Activity
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More decentralized management of natural resources in Malawi

- 1) Promote greater decentralization of key natural resource decision-making
- 2) Increase district-level capacity to support CBNRM
- 3) Improved CBNRM stakeholder coordination

Enhanced community capacity for managing natural resources in a sustainable manner

- 1) Increase capacity for natural resources management at the community level
- 2) Strengthen the capacity of CBNRM service providers
- 3) Increase public awareness and understanding of CBNRM roles and opportunities
- 4) Strengthen knowledge and accountability of Traditional Authorities and related officials in CBNRM

Increased sales of natural resource-based products by households

- 1) Enhance market access by entrepreneurs, households, and community groups that produce natural products
- 2) Identify production and harvesting opportunities for new natural resource-based products to be actively exploited on a sustainable basis
- 3) Develop and strengthen partnerships between communities and the private sector

As noted above, the COMPASS II activity will support the USAID/Malawi goal of reducing poverty and increasing food security through broad-based, market-led economic growth by addressing the constraints to CBNRM and working to increase household revenues earned from CBNRM. The specific constraints to be addressed include those related to policy implementation, community tenure and rights of access, local institutional capacity, and natural resource-based enterprise development.

Key performance indicators and targets specified in the COMPASS II contract Statement of Work for each of these Results Modules are the following:

- 15 districts in which NRM devolution plans are adopted and fully implemented;
- 1,000 communities adopting CBNRM practices;
- 80,000 households participating in CBNRM activities; and
- \$750,000 in total revenue households receive from participating in CBNRM activities.

COMPASS II will expand sales of natural products by identifying commodities that have the greatest potential to generate employment, increase household income, and support sound natural resource management. This approach will promote cooperation and coordination among the various members of the value chain to reduce transaction costs, enhance product quality, and reduce risks and uncertainty for buyers and sellers. The COMPASS team identified honey, tree seed oils, processed

fruit, wild mushrooms, fisheries, and hardwood curios as high-potential commodities. Others may be identified through sub-sector analyses to be conducted as field activities progress.

COMPASS II will also promote sound stewardship of the wildlife reserves, national parks, and forests that make up more than one-fifth of Malawi. Lakes Malawi and Chilwa and many large rivers form vital watersheds that are an important part of the food production base for the national economy.

1.4 GEOGRAPHIC FOCUS

Although COMPASS II need not be implemented in all districts, it will have a nationwide presence (please see Figure 1). The implementation team is working in a subset of districts to target decentralization support, CBNRM capacity building and natural resource-based enterprise (NRBE) development.

COMPASS II will continue to work in the nine COMPASS I districts (Rumphi, Nkhata Bay, Mzimba, Nkhonkhotakota, Dedza, Ntcheu, Chikwawa, Machinga, and Zomba), and add six new high-potential zones to ensure community-based natural resource management issues are addressed in Malawi's ecologically critical areas, as described below:

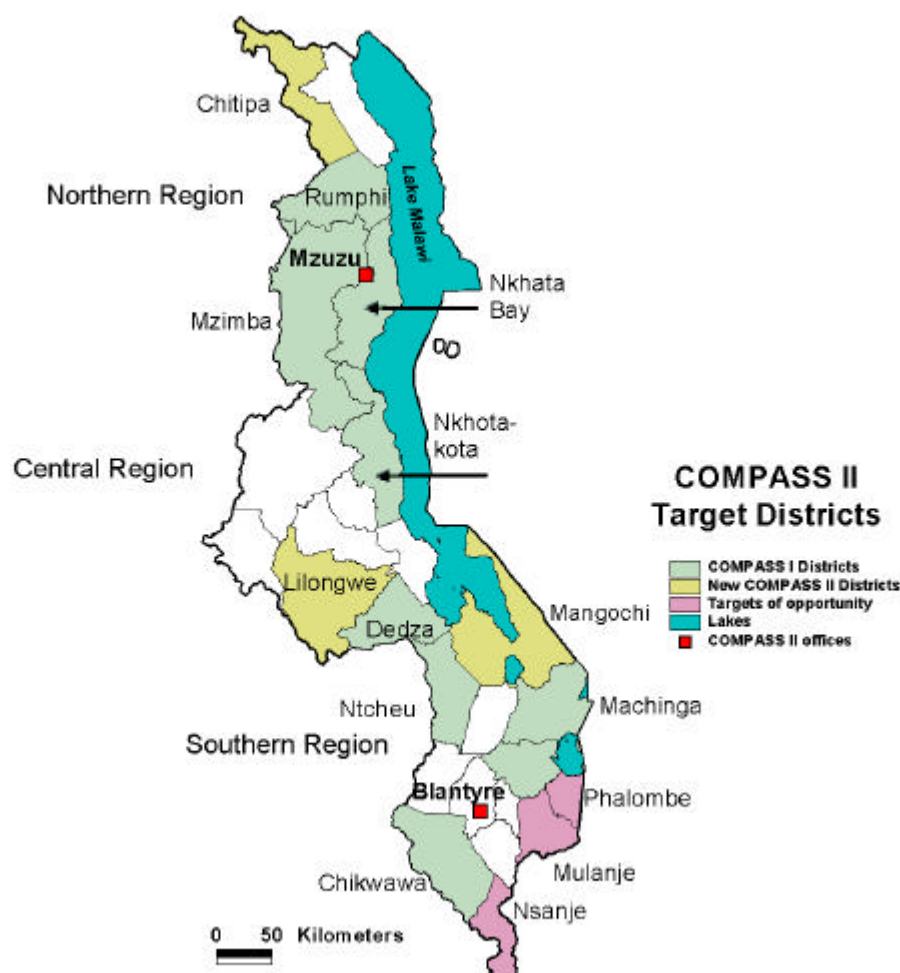
- Chitipa district—to support incipient efforts by well-organized communities to engage in sustainable management of miombo woodland and sub-montane evergreen forests that harbor many rare and endangered species of flora and fauna;
- Lilongwe district—to build on initial private sector efforts to engage with government and local communities to improve management of the Lilongwe Nature Sanctuary and the Dzalanyama Forest Reserve, one of the most important tracts of miombo woodland in the country;
- Mangochi district—to support the recently launched “Save the Chambo” campaign on the southeastern arm of Lake Malawi, and to strengthen efforts of the Department of National Parks and Wildlife to expand community-based management initiatives to the Mangochi Forest Reserve that has recently been added to the Liwonde National Park complex. This forest reserve and the adjacent Namizimu Forest Reserve are two of the largest tracts of woodland and forest in the country and comprise sub-montane evergreen forest and grassland amidst almost pristine tracts of miombo woodland.
- Phalombe and Mulanje districts where previous USAID activities had close affiliation with the Mulanje Mountain Conservation Trust; and
- Nsanje, where there is a long-standing relationship with the Department of National Parks and Wildlife that was born out of collaboration on the World Bank's Lower Shire Protected Area Management Project.

A minimum of 15 districts is the threshold for activities under the COMPASS II contract. The technical approach is grounded in recent advances in decentralization that provide a sound regulatory platform for empowering Malawian agencies, representatives, and constituents at the local level. The key criteria for site selection shall include:

- *Community commitment and leadership:* Strong community interest, as well as community leadership that is supportive of CBNRM initiatives, is a key prerequisite. Supportive district authorities and the existence or potential for effective service provider partnerships or those districts with the strongest capacity to carry out responsibilities related to decentralization.
- *Ecological importance:* Malawi's key eco-regions where natural resources of high conservation value exist and where sustainable use is a key to future prosperity are the target of this activity.

- *Income earning potential:* COMPASS II shall work in areas with existing or potential for income generation from CBNRM. Most relevant is commitment from communities and private sector to leverage resources.

Figure 1. COMPASS II Target Districts



1.5 MONITORING & EVALUATION—UNIQUE ASPECTS OF THE 2004 REPORTING PERIOD

The COMPASS monitoring & evaluation system faced challenges in identifying the benefits being generated from CBNRM in a context of informal rural economies where both literacy levels and knowledge of M&E concepts were very low. Nevertheless, Lorene Flaming quantified some of the benefits households received from CBNRM in terms of cash as well as non-monetized benefits such as fish farmed for home consumption, fuelwood produced, etc. Data sources for these calculations—first attempted in FY2003—were primarily COMPASS grantees that were required to keep financial records. Households participating in CBNRM but not receiving COMPASS grant funding saw no need or incentive to keep accurate data about their benefits; in fact, disincentives (e.g., taxation) were more likely to be decisive in determining the presence or absence of data within a household.

This scenario has been felt acutely by the field implementation team for COMPASS II. Absent a field presence that was conducting regular monitoring of grantees' records, data gathering abruptly halted at the end of COMPASS. Because of the incomplete conceptual evolution at the village level (described in section 1.1 above), some grantees have halted their CBNRM activities.

The following are some of the factors affecting the ability to collect accurate field data on the parameters of interest for FY2004 reporting:

- **Small grants program concluded:** The final grant award from COMPASS was made on 22 April 2003. All 55 grants were closed out by 30 September 2003. Therefore, no small grants were awarded within FY2004.
- **Field presence curtailed:** The lack of grantees to monitor, combined with restricted budget for COMPASS in its final four months, led to field travel reductions. This had two negative effects on M&E systems operation: data collection no longer happened, and the reasons that most households saw for recording data at all were removed.
- **Imprecise multiplier effects:** Due to the absence of reliable record-keeping by COMPASS grantees and lack of mechanisms for documenting spin-off or multiplier effects, FY2004 estimates are likely lower than actual benefits.
- **Incomplete conceptual evolution of CBNRM:** Even as COMPASS II enters FY05 field implementation, there is widespread resistance among governmental, nongovernmental, and community organizations to the notion that CBNRM is intended primarily as an income producing activity for rural households. This is both testimony to the success of all the environmental awareness work conducted under COMPASS and other CBNRM programs in Malawi, and a challenge to the current COMPASS II implementation team to facilitate the wider appreciation of this conceptual evolution without either confusing or alienating CBNRM practitioners in the field.
- **CBNRM momentum lost:** The 2003 assessment of COMPASS benefits (Document 66) concluded that very few of the grant-supported activities were financially viable, and thus could not be sustained without ongoing support. Unfortunately, government agencies were either unwilling or unable to provide the support in the absence of COMPASS funding during the four months between close out of phase 1 and mobilization of phase 2. This led to erosion of momentum in the field that became exacerbated by diminished field presence.

1.6 APPLYING LESSONS FROM COMPASS INTO COMPASS II

The disappointment that COMPASS staff members felt upon learning of the gradual crumbling of CBNRM in the absence of USAID support has had a profound impact on formulation of strategies to be used in implementing COMPASS II. The mantra within the implementation team has become: “How will this be done in 2010?” In other words, open discussion of an exit strategy and the sustainability of all project interventions in the absence of further project support has led to rethinking the fundamental operating principles of the implementation team.

For example, while COMPASS made genuine efforts to encourage counterpart contributions for any training or other capacity building events, in practice these were often token contributions rather than real demonstrations of commitment to the process of learning. Training is widely viewed in Malawi (not uniquely but perhaps more deeply) as an “incentive” or reward for organizational staff; with the selection of participants driven largely by whose “turn” it is to receive allowances for attendance. The COMPASS II implementation team is intent on having training participants selected according to their need to apply whatever skills are being discussed in a particular training event. If someone attends a training sponsored by COMPASS II and applies for additional training on another topic, they must first demonstrate how they applied the skills or knowledge acquired in the first training.

Likewise, government agency staff who have not met in more than 10 months to coordinate CBNRM implementation—solely because no donor project would sponsor them to meet although nearly all live and work in Lilongwe—will be required to demonstrate legitimate programmatic need for external support before COMPASS II will consider requests for sponsorship of events.

Finally, it is clear that despite the best efforts of USAID/Malawi to have a temporal overlap/transition stage from phase 1 to phase 2 of COMPASS, contracting delays have serious detrimental effects on the ability of programs to generate continuing field results.

2. SUMMARY OF CBNRM PROGRESS ACHIEVED IN FY2004

This section of the Annual Progress Report summarizes the progress made by CBNRM practitioners toward the agreed and approved targets for the Strategic Objective, the Intermediate Result, and the COMPASS II activity during Fiscal Year 2004. As a reminder to readers of the caveats about these data: during the final four months of COMPASS, reduced budget for CLIN 003 restricted the ability of staff to undertake rigorous M&E data gathering fieldwork; during the four-month hiatus between the time COMPASS closed and COMPASS II mobilized, the absence of sponsorship for CBNRM activities (especially capacity building) led to inaction by governmental and nongovernmental players; and during the first three months of COMPASS II, majority of effort was expended on recruiting new personnel and establishing field operations due to the unavailability of many of the staff expected to be involved but who were unable to wait for contract award. Nevertheless, the field implementation team has quickly assessed the level of progress made in the absence of institutional support – in many ways a harbinger of what might happen in 2009 when COMPASS II ends. The “story” we discovered is told in the following pages, both qualitatively and (where possible) quantitatively.

2.1 STRATEGIC OBJECTIVE FRAMEWORK, INTERMEDIATE RESULTS, AND DATA TABLE

According to the USAID/Malawi Economic Growth Strategic Objective “Sustainable Increases in Rural Incomes” (also see chart following):

USAID/Malawi’s Economic Growth team believes that increasing rural incomes depends on:

- Increasing agricultural productivity of smallholder farmers, through encouraging agricultural diversification and helping fertilizer and seed markets develop;
- Increasing employment in private sector enterprises that are linked to the agricultural economy;
- Increasing household revenue from community-based natural resource management activities.

1) Promoting agricultural diversification and market development: USAID/Malawi: (a) provides assistance to smallholder farmers to gain access to lucrative markets for high value products such as chilies, paprika, groundnuts, and aromatic rice; (b) supports development of the Malawian dairy industry since the very small size smallholder farm plots in Malawi make it is difficult for many farmers to escape from poverty though crop production alone, with an emphasis on raising milk yields and farmer income from milk sales; and (c) encourages the growth of the private sector fertilizer and seed supply industry, a key to ensuring that smallholders have timely access to inputs at reasonable prices.

2) Encouraging private sector growth: USAID/Malawi is promoting greater access to microfinance services. The focus is on smaller borrowers that typically have been under-served by the two large commercial banks that control 85 percent of the financial market in Malawi. USAID’s primary partner is Opportunity International, a bank that serves a broad cross-section of clients. A new activity that will enhance trade and growth opportunities for Malawian agri-businesses by addressing problems Malawian firms have in selling their products in global markets, focusing on growth possibilities in key sectors such as food processing, textiles, and forestry products.

3) Increasing incomes from natural resource management: USAID/Malawi is building the capacity of communities to improve natural resource management by continuing to work to deepen decentralization of Government decision-making over natural resources, assist communities in adopting improve natural resource management techniques, and provide marketing assistance so rural residents can gain income from sustainable use of natural resources. Key products include honey, wild fruits, and mushrooms.

USAID/MALAWI ECONOMIC GROWTH RESULTS FRAMEWORK**FY 2005 -2007****Context Indicators:**

1. GDP growth rate
2. Inflation rate
3. Level of foreign direct investment

STRATEGIC OBJECTIVE 6

Sustainable Increases in Rural Incomes

Indicators:

- 6a: Per capita consumption and expenditure in rural areas (data for 1998, 2002, 2004, 2006)
- 6b: Total amount of additional household income that can be directly attributed to USAID activities (data each year)

Critical Assumptions:

1. Political stability maintained before and after 2004 elections
2. Drought and/or flooding conditions are what may be considered "typical" for Malawi for a five-year strategy period.
3. Number of new HIV infections stabilizes then begins to fall.
4. The physical security situation in rural areas does not worsen.

Intermediate Result 6.1

Agricultural productivity increased

Indicators:

- 6.1a: Value of agricultural products marketed by farmers' associations
- 6.1b: Ratio of average fertilizer price in Malawi to FOB world price

IR Leader: Kenneth Wiyo

Intermediate Result 6.2

Employment in agriculturally-linked enterprises increased

Indicators:

- 6.2a: Number of new jobs created in enterprises receiving USAID-funded training or technical assistance
- 6.2b: Total value (cumulative) of loans disbursed to agriculturally-linked enterprises by USAID-financed micro-finance intermediaries

IR Leader: Richard Kimball

Intermediate Result 6.3

Household revenue from community based natural resource management (CBNRM) activities increased

Indicators:

- 6.3a: Total revenue households receive from participation in community-based NRM activities
- 6.3b: Number of communities adopting CBNRM practices

IR Leader: Autman Tembo

Intermediate Result 6.4

Reduced vulnerability to food price volatility

Indicators:

- 6.4a: Percent of under 5's with moderate or severe acute malnutrition (weight for height) in February
- 6.4b: Index of seasonal maize price volatility

IR Leader: Vacant**Activities:**

- National Smallholder Farmers Association of Malawi (NASFAM)
- Land O' Lakes (LOL)
- International Fertilizer Development Center (IFDC)

Sub-IR indicators:

- 6.1.1a: Membership in farmers' associations (M/F)
- 6.1.1b: Tonnage of agricultural products marketed through farmers' associations
- 6.1.1c: Cumulative number of private sector fertilizer actors that have received training or technical assistance (M/F)
- 6.1.1d: Quantity of fertilizer imports by private sector

Activities:

- Opportunity International (micro-finance institution)
- SALES (private sector linkages activity)
- Cassava industry promotion

Sub-IR indicators:

- 6.2.1a: Number (cumulative) of entrepreneurs/enterprises that receive USAID-supported training and/or technical assistance in business development skills
- 6.2.1b: Average wage rate of new jobs created with USAID-funded training or technical assistance
- 6.2.1c: Cumulative number of loans disbursed by USAID-financed micro-finance intermediaries
- 6.2.1d: Number of savers of USAID-financed Microfinance Institutions (MFIs)

Activities:

- Community Partnerships for Sustainable Resource Management (COMPASS)
- Malawi Environmental Endowment Trust (MEET)

Sub-IR indicators:

- 6.3.1a: Number of households participating in CBNRM activities
- 6.3.1b: Number of community members trained in CBNRM (M/F)

Activities

- Food safety nets activities (DAP partners)
- Community nutrition activities (DAP partners)
- Market information systems and early warning (FEWS)

Sub-IR Indicators:

- 6.4.1a: Number of participants in Food for-work activities (M/F)
- 6.4.1b: Number of children participating in growth monitoring programs

Support for cross-cutting policy analysis and information networks

Activities:

- ? Pro-growth poverty resource (annual program statement small grants)
- ? National Action Group (participation by USAID)

The portions of the USAID/Malawi Results Framework that apply to the COMPASS II activity are those under Intermediate Result 6.3: Household revenue from community-based natural resources management (CBNRM) activities increased. This is measured at the IR level by two indicators (often called “Category A” indicators) and by two Sub-IR indicators (“Category B”). These indicators and the Precise Definition for each from the Mission PMP are:

1. Total revenue households receive from participation in community-based NRM activities—defined as: “Cumulative yearly income³ at household level realized from CBNRM activities. The sum of revenue received by all associations from sales of natural products. The natural products must be produced/harvested in a sustainable manner in the context of CBNRM activities”
2. Number of communities adopting CBNRM practices—defined as: “A cumulative figure representing number of communities that “adopt” CBNRM practices. “Adoption” is judged to have occurred when a set of criteria is met. Number of communities that have organized themselves with the purpose of managing renewable communal natural resources in a sustainable way. CBNRM practices may include adoption and/or implementation of a CBNRM action plan, best practice in forest management, or sustainable harvesting.”
3. Number of households participating in CBNRM activities—defined as: “Number of households that are involved in CBNRM activities. Involvement is defined as any action by an individual that advances community NRM.”
4. Number of community members trained in CBNRM (M/F)—defined as: “Number of individuals trained in CBNRM.” This indicator is disaggregated by gender.

Data gathering methodology employed for this FY2004 monitoring and reporting consisted of rapid field assessments by COMPASS II staff members and personnel of various partner organizations. A much more rigorous M&E system is being installed for use in future assessments.

The following table summarizes the performance data for these four indicators since the USAID/Malawi Country Strategic Plan was approved in 2001. The preliminary results for FY2004 are shown, with the caveat that the data analysis is ongoing, and data quality assessment remains to be accomplished.

Indicator	Base Line		2002	2003	2004	2005	2006	2007
Total revenue households receive from participation in community-based NRM activities (measured in US\$)	6,000 (2001)	Target	-	20,000	50,000	180,000	400,000	750,000
		Actual	9,000	15,774	55,431			
Number of communities adopting CBNRM practices	315 (2001)	Target	300	350	500	650	900	1,000
		Actual	457	599	642			
Number of households participating in CBNRM activities	23,408 (2002)	Target		28,088	30,000	45,000	65,000	80,000
		Actual		30,681	61,083			
Number of community members trained in CBNRM (M/F)	846 (2001)	Target	420	570	1,500	2,250	3,250	4,000
		Actual	1,206	1,867 M: 1,363 F: 504	1,867 M: 1,363 F: 504			

These results demonstrate the value to communities of CBNRM as a development strategy.

³ The SO Team has clarified the definition of “income” to include non-cash (i.e., in-kind) income that households receive.

2.2 SUMMARY OF PROGRESS TOWARD COMPASS II PERFORMANCE INDICATORS

The following three subsections of the Annual Progress Report cover progress made by the field implementation team toward the COMPASS II indicators and targets as defined in Section C: Description/Specifications/Statement of Work from the contract. Where no targets were specified in Section C, the interim performance indicators and targets proposed in the Technical Approach and draft Performance Monitoring Plan have been used. This Technical Approach was consolidated with the Section C specifications into the preliminary Annual Work Plan 2004/2005 (document 01) that was delivered to USAID/Malawi within 30 days of contract signing, as specified.

2.2.1 Results Module #1: More Decentralized Management of Natural Resources in Malawi

As stated in Section 1 above, the overall COMPASS II key performance indicator for this Module is the **number of districts in which devolution plans are adopted and fully implemented**. The target for this indicator is 15 districts by the end of the activity.

STATUS AT BEGINNING OF ANNUAL REPORTING PERIOD

Not Applicable.

ACTIONS UNDERTAKEN DURING ANNUAL REPORTING PERIOD

Field mobilization of COMPASS II technical team occurred during 4th quarter FY2004.

STATUS AT COMPLETION OF ANNUAL REPORTING PERIOD

No target districts have completed devolution plans as of 30 September 2004.

EXPECTED ACTIONS DURING UPCOMING ANNUAL REPORTING PERIOD

Target for completion by the end of FY2005 is that at least 3 target districts have begun the process of developing devolution plans. The screening process to determine most likely districts to proactively initiate devolution planning commenced in October 2004.

Following are the Activities specified in Section C, and current status as of 30 September 2004.

Promote Greater Decentralization of Key Natural Resource Decision-Making

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Develop guidelines for community management of natural resources	Guidelines completed and disseminated for all relevant NR sectors	COMPASS had produced a participatory fisheries toolkit	Compiling existing materials to assess content and format
Promote devolution of authority to approve natural resource management agreements	15 target district assemblies w/ authority to sign CBNRM plans	16 of 27 districts have DEAP (District Env. Action Plan)	Screening criteria for initial districts to implement plans
Facilitate natural resource agreements between communities and district authorities	500 agreements approved and implemented	6% of customary land under improved NRM	Community mapping / land-use planning design underway for '05
Support efforts to review and revise the Local Government Act	Technical assistance provided to DoLG as appropriate/requested	N/A	Discussions with Dept. Local Govt. on status of Act

Increase District-Level Capacity to Support CBNRM

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Build awareness of opportunities for CBNRM	15 target districts have access to key policy briefs in local language	COMPASS had produced 8 policy briefs in 2002	Review of policy changes since 2002 underway
Build district capacity to support natural resources management	15 target districts integrate traditional authorities in DESCs	N/A	Preliminary discussions with traditional leaders
Build district-level capacity to deliver natural resource management services	2,000 communities report that quality of services (govt. or NGO) is good or better	N/A	No action during the reporting period
Build a database of CBNRM Best Practice sites	70 Best Practice sites listed in database	33 sites listed on COMPASS website	Discussions with Dept. Local Govt. on status of Act

Improve CBNRM stakeholder coordination

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Strengthen national coordinating bodies	Quarterly meetings of working group	COMPASS had sponsored all meetings of WG	CBNRM WG has not met on its own
Strengthen district coordinating bodies	15 target districts have CBNRM Action Plans	N/A	Screening criteria for initial districts
Strengthen local coordinating bodies	1,250 people exposed to Best Practices through exchange visits	COMPASS had sponsored 667 exchange visitors	Negotiating with WESM to provide coordination

2.2.2 Results Module #2: Enhanced Community Capacity for Managing Natural Resources in a Sustainable Manner

As stated in Section 1 above, the overall COMPASS II key performance indicators for this Module, and life-of-project targets, are:

1. **Number of communities adopting CBNRM practices.** The target for this indicator is 1,000 communities by the end of the activity.
2. **Number of households participating in CBNRM activities.** The target for this indicator is 80,000 households by the end of the activity.

STATUS AT BEGINNING OF ANNUAL REPORTING PERIOD

As of 01 October 2003, a total of 599 communities had adopted CBNRM practices (see COMPASS document #68 for detail).

As of 01 October 2003, a total of 28,088 households were participating in CBNRM activities (see COMPASS document #68 for detail).

ACTIONS UNDERTAKEN DURING ANNUAL REPORTING PERIOD

COMPASS fieldwork concluded October 2003 due to limitation of funds.

Field mobilization of COMPASS II technical team occurred during 4th quarter FY2004.

The Participatory Monitoring & Evaluation Officer immediately deployed to field for updated status reports on COMPASS grantees as well as Best Practice sites.

A database of potential training service providers is well underway as a tool for linking training needs to qualified providers of the required skills.

Criteria are under development for selecting providers who can be certified / verified as competent in specialized CBNRM subject matter.

STATUS AT COMPLETION OF ANNUAL REPORTING PERIOD

Estimated number of communities adopting CBNRM practices is 642 as of 30 September 2004. "Multiplier effects" apparently led to a 7% increase, based on very rough field data, despite reduced field presence in 2004.

There was large growth in the number of households participating in CBNRM activities, nearly doubling to more than 61,000. This was both through additional households in communities already practicing CBNRM, and the addition of some villages not included in earlier surveys—the oft-elusive "multiplier effect" being sought.

EXPECTED ACTIONS DURING UPCOMING ANNUAL REPORTING PERIOD

Target for completion by the end of FY2005 is that at least 650 communities have adopted CBNRM practices.

Target for completion by the end of FY2005 is that at least 45,000 households are participating in CBNRM activities.

Trend indications are that these targets will be met or exceeded.

Following are the Activities specified in Section C, and current status as of 30 September 2004.

Increase Capacity for Natural Resources Management at the Community Level

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Train community representatives participating in VNRMCs and BVCs	350 VNRMCs and 150 BVCs in 15 target districts served	COMPASS had sponsored training of 144 VNRMCs and 52 BVCs	At least 7 training proposals under review

Strengthen the Capacity of CBNRM Service Providers

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Promote participation of qualified local firms and organizations	Database of CBNRM service providers for linkage with needs	Anecdotal evidence of “qualified” firms	Criteria for certification being developed
Strengthen and support local NGOs	8 local NGOs work on at least 5 contracts	COMPASS gave NGOs grants (i.e., no performance criteria upheld)	Negotiating with at least 6 NGOs for service contracts

Increase Public Awareness and Understanding of CBNRM Roles and Opportunities

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Expand the environmental education program through school clubs	2,500 school Wildlife Clubs established	WESM established 1,000 clubs nationwide	Negotiating contract to support 500 clubs annually
Develop a public relations outreach program in TV and radio for Malawi	10,000 copies of <i>Nantchengwa</i> magazine distributed per issue by WESM	Current print run of 4,000 copies	MEET grant for printing costs of <i>Nantchengwa</i> ; COMPASS II funded 10,000 calendars for 2005
	Four hours of NRM / conservation radio programs per month	COMPASS had sponsored 28 weeks of programs	WESM has more material to be aired early in FY2005
	One hour of NRM / conservation TV programs per month	N/A	Public Awareness team is developing material
Establish a website for Malawi environment and CBNRM activities	Website hosted and content is online	COMPASS hosted a website that got 11,753 visits in FY2003 period	WESM unable to install server for hosting

Strengthen Knowledge and Accountability of Traditional Authorities and Related Officials in CBNRM

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Train traditional authorities in CBNRM	500 recognized traditional leaders completed training	N/A	Needs assessment & curriculum devt. ongoing
Host the annual Traditional Authority conference	One conference held per year	N/A	First conference scheduled FY2005

2.2.3 Results Module #3: Increased sales of natural resource-based products by households

As stated in Section 1 above, the overall COMPASS II key performance indicators for this Module, and life-of-project target, is **total revenue households receive from participating in CBNRM activities**. The target for this indicator is \$750,000 earned by the end of the activity.

STATUS AT BEGINNING OF ANNUAL REPORTING PERIOD

As of 01 October 2003, a total of \$279,782 in benefits were accumulated by households participating in CBNRM activities; of this total, \$15,774 was in cash income from sales of natural products such as honey, fish, and others; another \$264,008 was accumulated in non-monetized benefits such as fish or honey harvested for home consumption, trees still growing in woodlots, and reduced expenditures on fuelwood or other household consumables (see COMPASS documents #66 and #70 for detail).

ACTIONS UNDERTAKEN DURING ANNUAL REPORTING PERIOD

COMPASS fieldwork concluded October 2003 due to limitation of funds. No grants awarded after April 2003, with the final grant close-out on 14 September 2003; therefore no additions to the base of COMPASS-supported sites from which to accelerate expansion.

Field mobilization of COMPASS II technical team occurred during 4th quarter FY2004.

The Grants Programming Specialist—a former credit manager at one of the largest Malawian national credit providers to small business—immediately began redesigning the small grants program into a venture capital investment fund for co-financing of Natural Resource-Based Enterprises (NRBEs).

A database of potential business service providers is well underway as a tool for linking training needs to qualified providers of the required skills (see also section 2.2.2 on training service providers).

Criteria are under development for selecting providers who can be certified / verified as competent in specialized BDS provision.

STATUS AT COMPLETION OF ANNUAL REPORTING PERIOD

Total revenue households received in 2004 is estimated to be \$55,431. This is the cash portion of the benefits. In addition to this income, an estimated \$190,058 in non-monetized benefits (e.g., home consumption plus capital assets such as trees not yet ready for harvest) was realized. The combined benefits (cash and non-cash) thus total approximately \$245,489.

One possible explanation for the reduction of overall benefits combined with a substantial increase in cash benefits realized may be the liquidation of stocks—such as guinea fowl no longer being raised for eggs; rather, sold for cash—that were estimated in the prior reporting period to have been growing assets.

Another possibility is that an assessment conducted in September and October presents a different picture than previous assessments conducted in April and May. September / October is a time of year when households are often strapped for cash as they attempt to pay school fees, purchase agricultural inputs for the coming planting season, etc. Therefore, it is logical that asset liquidation is a factor in the higher percentage of total benefits being realized as cash, even as benefits declined.

Finally, there is the possibility that the data gathered through the rapid reconnaissance method have simply been inaccurate. The field team, including the M&E unit, will attempt to improve on the level of confidence we might have in the data presented between now and the Data Quality Assessment to be conducted in February 2005.

EXPECTED ACTIONS DURING UPCOMING ANNUAL REPORTING PERIOD

Target for completion by the end of FY2005 is that at least \$180,000 in revenues have been generated by households participating in CBNRM activities.

The field team fully expects to meet or exceed this target.

Following are the Activities specified in Section C, and current status as of 30 September 2004.

Enhance market access by entrepreneurs, households, and community groups that produce natural products

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Identify clusters and complete sub-sector analyses for key natural products	At least 8 sub-sector analyses conducted	COMPASS did few basic NRBE studies but not full SSAs	Template SSA done; priority NR products identified
Organize national and regional natural products conferences	3 national + 2 regional conferences organized	N/A	First conference scheduled FY2005
Promote sustainable business development services	1,000 NRBEs market natural products through use of BDS	Kadale has done background survey on BDS providers	Plans underway to obtain updated info for database
Implement small grants program	Venture capital fund supports >100 NRBEs	COMPASS awarded 55 grants	Manager designing Fund for NRBEs
Build capacity for monitoring and sustainable harvesting	Strategic M&E plan built into each business plan for co-financing	COMPASS began M&E planning for CBNRM	COMPASS II M&E Plan and PMP due Nov 04

Identify Production and Harvesting Opportunities for New Natural Resource-Based Products and Actively Exploit on a Sustainable Basis

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Conduct natural products inventories to identify products & train local service providers on inventory techniques	At least 7 natural products inventories conducted, with full local participation	N/A	In discussions with SANREM CRSP, local universities
Provide market analysis and other product information to entrepreneurs, associations and other potential investors	At least 7 sub-sector market analyses identify potential partnerships among producers & buyers	N/A	Awaits outcome of sub-sector analyses (see above)
Create and support producer associations	At least 3 viable natural products associations	N/A	Awaits outcome of sub-sector analyses
Establish standards and quality control procedures	Annual national conference held on quality control and marketing of natural products	N/A	Regional NRBE Devt. Specialist (Mzuzu) has TQM credentials

Develop and Strengthen Partnerships between Communities and the Private Sector

Action / Task	Performance Indicator	Status at start of Reporting Period	Status at end of Reporting Period
Broker partnerships	500 producer-buyer agreements signed	N/A	Awaits outcome of sub-sector analyses
Explore and promote sustainable financing strategies	NRBE Venture Fund “owner” identified to provide credit finance	N/A	Preliminary explorations of interest underway
Increase understanding of the marketing chain among rural households	[embedded within 500 partnerships above]	N/A	Awaits outcome of sub-sector analyses
Encourage innovative partnerships among stakeholders	[embedded within 500 partnerships above]	N/A	Awaits outcome of sub-sector analyses

ANNEX: ANNUAL PROGRESS REPORT DATA TABLES

COMMUNITY PARTNERSHIPS FOR SUSTAINABLE RESOURCE MANAGEMENT (COMPASS II) PROJECT: RESULTS FRAMEWORK DATE TABLES FOR FY2004 ANNUAL REPORTING PERIOD

COMPASS Grant Activities	No. of Partic.	Date of data	Total Prod.	Units	Price (MK)	Total Revenues (MK)	Income Distrib. (MK)	Household Consump. (MK)	Other Benefits (MK)	Comments
Village Woodlots & Afforestation/Reforestation										
BERDO (5)	500	6/03 projection	9,290	m3/year	0				0	Annual increment from 10 woodlots & 350 ha
BERDO (28)	500	6/03 projection	4,415	m3/year	0				0	Annual growth increment
Mpalasa (15)	140	6/03 projection	825	m3/year	0				0	Annual growth increment
Nsipe (17)	170	6/03 projection	703	m3/year	0				0	Annual growth increment.
Changoima (19&36)	600	6/03 projection	1,774	m3/year	0				0	Annual growth increment.
Chisoti (6)	27	6/03 projection	45	m3/year	0				0	Annual growth increment.
Livingstonia (7&46)	23,595	6/03 projection	1,043	m3/year	0				0	Annual growth increment.
Ntenje (11)	30	6/03 projection	220	m3/year	0				0	Annual growth increment.
Dedza (22,32)	900	6/03 projection	2,760	m3/year	0	10,500	10,500		0	Annual growth increment.
ELDP (35)	2,600	6/03 projection	94	m3/year	0				0	Annual growth increment.
Chiling'oma (39)	4,940	6/03 projection	67	m3/year	0				0	Annual growth increment.
Chamkondo VNRMC	62	10/04 survey				unknown				Members able to pay school fees (3,500/child/term).
Sub-total	33,564		21,236	m3		10,500	10,500	0	0	
Nurseries and Orchards										
Matindi (3&30)	23	6/03 projection	13,000	scions	540				7,020,000	1tree=100 scionsx10 buds/seedlings x 80% surv.
		2004	10,000	oranges	8					
		2004	10,000	mangos	50					
		2004	4,500	guava	10					
		2004	450	papaya	35					
	23	6/03 projection	24,950	fruit	varies	87,500	87,500		553,250	revenues represent sales to NGOs & individuals
BERDO (5)	2500		unknown	seedlings						# participants from M. Godfrey report Apr 03
Chisoti (34)	27		42,000	seedlings	4	168,000				sales of seedlings to NGOs and projects
Sub-total	2550			seedlings		255,500	87,500	0	7,573,250	
Fishponds										
Kalino (23&50)	8	6/03 projection	600	kg fish	64	38,400			51,300	(9 users x 6 add. 50-kg bags maize x MK950).
Mchengawede (37)	19		unknown	kg fish	50-100					communal pond discontinued; individuals thriving
Changoima (49)	75		unknown	kg fish						
Chigumula (4)	7		80	kg fish	200	16,000				
Tsogolo la Ana (49)	75	10/04 survey	unknown			9,000	9,000			Reported revenue total only.
Sub-total	184		680	kg fish		63,400	9,000	0	51,300	

COMPASS Grant Activities	No. of Partic.	Date of data	Total Prod.	Units	Price (MK)	Total Revenues (MK)	Income Distrib. (MK)	Household Consump. (MK)	Other Benefits (MK)	Comments
Bee-Keeping										
BERDO (28)	500	6/03 projection	2,268	liters	50	37,796	37,796	75,592		42 hives producing 18L 3x/year.
Changoima (19)		6/03 projection	1,260	liters	45				56,700	Assume 20 hives x 18L x 2 harvests/yr
Chisasila (9)	110	unknown		liters	45	0				
Dedza (32)	24	6/03 projection	1,188	liters	45	53,460	53,460			successful and all harvest is sold locally.
World Vision (25)	20	6/03 projection	612	liters	45	13,770		13,770		
Lilongwe (33)	13	unknown		liters	45					
ELDP (35)		6/03 projection	216	liters	45				9,720	
Chiling'oma (39)		6/03 projection	1,080	liters	45				48,600	4/03. No data reported. Expect to add 20 hives.
Tsogolo la Ana (36)	427	10/04 survey	30	hives		60,000	60,000			Reported revenues only. Most consumed by HHs.
Mulanje	165	10/04 survey		kg	145	1,155,000	1,155,000			Visited 5 of 80 communities. Est. total participants.
Sub-total	1,259		6,744	liters		1,320,026	1,306,256	89,362	115,020	
Sustainable Agriculture										
Nyafulu (41)	48	6/03 projection	960	kg chilies	140	134,400	134,400			Minimum estimate; plans for expansion.
Sub-total	48		960	kg chilies		134,400	134,400	0	0	
Guinea Fowl										
BERDO (28)	93	6/03 projection	1,490	birds	450				670,500	Expect exponential growth (assume doubling).
		10/04 survey	9,300	eggs	25	232,500	232,500			Extrapolated from interviews with 10 women.
Changoima (19&36)	600	6/03 projection	4,000	birds	250-400				1,300,000	Expect exponential growth (assume doubling).
		6/03 projection	68,993	eggs	20				1,379,862	120 eggs/female/year (less number of new birds)
Tsogolo la Ana (19)	173	10/04 survey	2,080	birds	300	624,000	624,000			Extrapolated from 9 of 20 villages. At least 8 birds
		10/04 survey	6,000	eggs	10	60,000	60,000			per person sold. Assume average of 12.
Sub-total	866		91,863	birds		916,500	916,500	0	3,350,362	
Mushrooms										
Chiwembe (27)	6	2004 estimates	unknown	kg		60,000	60,000			Recordkeeping discontinued; anecdotal data
Sub-total	6					60,000	60,000	0	0	
Fruit Processing										
Magomero (40)	10	2003-04	unknown	varies						record keeping discontinued; no data available
Sub-total	10					0	0	0	0	
Briquettes										
Ndirande (1&31)	25		4,500	briquettes	5			195,000		Sales discontinued; production ongoing for home use
Sub-total	25		4,500			0	0	195,000	0	

COMPASS Grant Activities	No. of Partic.	Date of data	Total Prod.	Units	Price (MK)	Total Revenues (MK)	Income Distrib. (MK)	Household Consump. (MK)	Other Benefits (MK)	Comments
Wood Stoves										
BERDO (28)	2,570	6/03 projection		stoves					554,904	Estimate 2,313 stoves in use.
Changoima (19&36)	14,228	6/03 projection		stoves					3,174,720	Estimate 13,228 stoves in use.
Dedza (22&32)	5,000	6/03 projection	2,800	stoves	37.50	7,500			1,200,000	estimate sold 200 stoves; remainder "make & take"
Chiling'oma (39)	372	6/03 projection		stoves					89,280	
Sub-total	22,170		22,347	stoves		7,500	0	0	5,018,904	
Eco-tourism										
Hippos (42)	1	10/04 survey	unknown	visitors		12,000	12,000	0	0	Hippos stayed only 2 months, too dry.
Beach VCs										
Nkhono	100	10/04 survey				240,000	240,000	0	0	Charge rent on patrol boat and life jackets, etc.
Medicinal plants										
Mzama	300	10/04 survey	unknown			3,000,000	3,000,000			Indirectly supported by COMPASS through awareness
Totals (MK)	61,083					6,019,826	5,776,156	284,362	20,356,036	
Totals (US\$)						\$55,431	\$53,187	\$2,618	\$187,440	

Critical Values:

Wood value (MK/m3): 200

Annual growth increment (m3) per 2,000 trees (avg. ha): 12.5

Annual household fuelwood consumption (m3): 4

Fuelwood savings from improved stoves: 30%

Average household size: 6

Exchange Rate (MK/US\$): 108.6

Table 1 Notes:

a) All values in MK per year unless otherwise noted.

b) "Other benefits" are indirect (crop savings), or direct but the percentages sold and consumed are not known (guinea fowl).

c) When a single production figure is given for a multiple-year period, production assumed to be equally divided between the years.

d) Price for a cubic meter based on MK 120-240 reported by BERDO for fuelwood. Price for poles and other wood products unknown.

e) Assumed annual growth increment (m3) for first year half of average year. Subsequent years are cumulative (half increment for current year and full increment for previous years)

f) Number of trees based on number of seedlings planted and reported survival rate.

g) Per capita fuelwood consumption based on Bogach (1985) [in Bembridge (1990), *South African Journal of Forestry*, 155:42-40], which indicates that annual consumption ranges from 0.5 to 2.25 m3 per person. One COMPASS grantee estimated annual rural household fuelwood use at 26 m3 (roughly double the published figure); this figure is not used because it appears unreliable. Elsewhere, Bembridge reports an average annual per capita fuelwood consumption of 1m3 in Africa (*South African Journal of Forestry*, 154:88-95, 1990) It is unclear if per capita figures are an accurate estimate of rural household consumption.

h) COMPASS grantees estimate fuelwood savings from improved stoves at 35-45%. The World Energy Council indicates 20%.

i) Cookstoves typically last 3 years. Assumed an attrition of only 20% after 2 years because once women have been trained, they can easily replace stoves using local materials.

Fuelwood savings from cookstoves calculated based on half of current years' stove production (since not all stoves were in use at the beginning of the year), plus the number of stoves still in use from previous years.

k) Where figures are reported as ranges, the average is used.

l) Note that results are highly sensitive to estimates for the "critical values" listed above.

j) "6/03 projections" based on estimates made in the "Valuation of COMPASS Benefits Report" (Sept. 2003). No current data available.

